

## **RESOLUTION NO. 2020-11**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER APPROVING MASTER SALE AND PURCHASE AGREEMENTS AND LOCKBOX AGREEMENTS**

A. San Diego Community Power (“SDCP”) is a joint powers agency formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019.

B. SDCP intends to launch the service of its community choice aggregation program in 2021 consistent with Public Utilities Code § 366.2 and its Implementation Plan and Statement of Intent certified by the California Public Utilities Commission.

C. SDCP will administer competitive solicitations (Request for Offers) to select certain energy service providers capable of providing energy, renewable energy, carbon free energy, and/or related products and services at competitive prices;

D. In anticipation of administering competitive solicitations, SDCP desires to negotiate an Edison Electric Institute (“EEI”) Master Purchase and Sale Agreement and/or a Western Systems Power Pool (“WSPP”) Master Purchase and Sale Agreement template with prospective counter-parties so that SDCP can become enabled to procure energy (collectively, “Master Agreements”).

E. The Master Agreements are industry standard contracts that govern the purchase and sale of electricity and other products, and require a separate written confirmation agreement to execute a specific binding transaction.

F. There are minor differences in each form of Master Agreement and confirmation agreement based upon changes requested by each energy service provider, which are immaterial in the overall context of the proposed transaction.

G. Through the competitive solicitation process, SDCP intends to accept the offer of one or more energy service providers and execute a Master Agreement and confirmation agreement(s) based on acceptable pricing, collateral and credit terms.

H. SDCP will agree to provide a “lockbox,” administered by River City Bank as collateral agent, into which SDCP customer payments will be deposited as security for the power purchase obligations of SDCP under a Master Agreement and confirmation agreement, which the selected energy service provider will agree to participate in.

I. An Intercreditor and Collateral Agency Agreement, a Security Agreement and a Deposit Account Control Agreement (collectively, “Lockbox Agreements”) will be negotiated with River City Bank and each energy service provider and are intended to be entered into no later than the time that SDCP enters into the Master Agreement and confirmation.

J. Due to the timing of transactions, the SDCP Board of Directors desires to delegate to the Chief Executive Officer, or designee, the authority to execute Master Agreements and the Lockbox Agreements in substantially similar form as approved by General Counsel. Either the SDCP Board Of Directors or the Chief Executive Officer will approve confirmation agreements under a Master Agreement subject to the limitations in the Energy and Risk Management Policy.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of San Diego Community Power as follows:

Section 1. The Board of Directors has determined that the recitals herein are true and correct.

Section 2. The Board of Directors hereby approves the Master Agreements and delegates authority to the Chief Executive Officer, or designee, to execute the Master Agreements with energy service providers in substantially similar form as approved by General Counsel.

Section 3. The Board of Directors hereby approves the Lockbox Agreements and delegates authority to the Chief Executive Officer, or designee, to execute the Lockbox Agreements in substantially similar form as approved by General Counsel.


Section 4. This resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** at a meeting of the Board of Directors of San Diego Community Power held on December 17, 2020.

DocuSigned by:  
  
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Joe Mosca, Chair  
San Diego Community Power

  
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Megan Wiegelman, Interim Secretary  
San Diego Community Power

Approved as to form:

  
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General Counsel

AYES: 5                      NAYS:                             ABSENT:                             ABSTAIN:       

AYES: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Baber (La Mesa), Director Dedina (Imperial Beach), and Director Montgomery (San Diego)

NOES: None

ABSTAINED: None

ABSENT: None